

As Molasses fetch higher price in the international market, the same is being exported. There is no restriction on the export of value added products of Molasses by exporters if they are able to get sufficient orders for the same.

[English]

#### **Export of Low Value Added Items**

4946. DR. D. VENKATESWARA RAO. Will the Minister of COMMERCE be pleased to state.

(a) whether the export of low value added items has increased in comparison to high value added items during the current financial year;

(b) if so, the reasons therefor, and

(c) the steps proposed to be taken by the Government to encourage export of high value added items?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHINDAMBARAM): (a) according to the provisional estimates, the export of primary productions (Agriculture, Plantations and Ores and Minerals) amounted to Rs. 5740 crores during April-December 1991 as compared to Rs. 4274 crores during April-December 1990, thereby registering an increase of 34.3%. The export of manufactures amounted to Rs. 24592 crores during April-December 1991 as compared to Rs. 18915 crores during April-December 1990, thereby registering a growth of 30.5%. However, it needs to be mentioned that the primary products (plantations, Agriculture and Ores and Minerals) accounted for about 13% of our total exports while manufactures accounted for 81% of our total exports.

(b) The reasons for a relatively higher growth in primary products in relations to

manufactured products include slow-down in global trade and recession in advanced countries which could have affected our manufactured exports adversely as also seasonal factors, wherein the exports of agricultural products are higher in certain seasons.

(c) Several changes in trade policy were introduced in July/August, 1991, aimed at strengthening export incentives, eliminating a substantial volume of import licensing and optimal import compression. Barring essential imports of sensitive items like POI, fertilizers etc., all other imports of raw materials and components were linked to export performance. REP licences were replaced by Eximships. The advance licences as an instrument of export promotion has been strengthened, by reducing discretionary controls and delays. The procedure for import of capital goods has been strengthened. The EPZ and 100% EOU Schemes have been revamped. A number of export and import items have been decanalised. Exporters have been allowed to open foreign currency accounts in approved banks and to raise external credits, pay for export related imports from such accounts and credit export proceeds to such accounts. These steps have been further strengthened by the partial convertibility of Rupee and reduction in import tariff rates. Besides, the Government has taken other steps which include reducing controls through licensing, simplification of procedures for export, activation of Board of Trade, bilateral discussions with select countries, interaction with national organisations of Trade and Industry, etc.

#### **American Frigate Ships**

4947. DR. RAJAGOPALAN SRIDHARAN: Will the MINISTER OF SURFACE TRANSPORT be pleased to state:

(a) whether any American frigate ships forming part of the Seventh fleet had been

berthed at the madras Port in January, 1992;

(b) if so, the details thereof; and

(c) the steps taken to keep a watch on the movements of these ships near Indian coast?

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI JAGDISH TYTLER): (a) to (c). U.S.S. Robert E. Ready visited the port of madras from 6th to 8th January, 1992 on a goodwill visit. Whether or not the vessel forms part of the Seventh fleet not known. Surface maintained as a standard function of Indian Navy and the Cost Guard to enable the monitoring of all sea borne traffic within the maritime Zones.

#### **Passenger ship service between Mangalore - Bombay**

4948. SHRI V. DHANANJAYA KUMAR: Will the Minister of SURFACE TRANSPORT be pleased to state:

(a) whether the Government propose to introduce a passenger ship service between Mangalore and Bombay;

(b) if so, the details thereof; and

(c) the time by which it likely to be started?

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI JAGDISH TYLER): (a) No, Sir.

(b) and (c). Do not arise.

#### **C & AG Report against Coffee Board.**

4949. SHRI K. MURALEEDHARAN: Will the Minister of COMMERCE be pleased to state:

(a) the action taken by the Government on the C & AG report against Coffee Board regarding coffee curing works; and

(b) the steps proposed to be taken to ensure that such irregularities do not happen in future?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) and (b). Necessary action has been initiated in consultation with the Coffee Board on the C & AG report on the review of the functioning of Coffee Board, which *inter-alia* includes curing of coffee also. As a interim measure, the following action has been taken by the Coffee Board to improve control over Curing Works;

(i) A Scheme for 100% stock verification in the Curing Works has been taken up during 1991-92 to verify shortage of coffee and/or misappropriation of coffee.

(ii) the entire system of opening of LCs for payment to growers has been streamlined and the returns from the Curing Works are being watched and analysed to ensure that there is no mis-use of funds;

(iii) Computerisation of the data on stocks, issuing of LCs etc., as well as the returns of the curing Works is planned for quicker and better inventory management;

(iv) Responsibility has been placed on attached officials for periodic verification of stocks as well as proper utilisation of funds by the Curing Works; and

(v) The Coffee Board has appointed a Sub-committee to inquire into the whole question of utilisation of funds by Curing Works in the past and also to look into instances of mis-use of funds not only to initiate action against the Curing Works but also to evolve and implement a fool-proof